

**Strategic Leadership vs. Strategic Management:
Untying The Gordian Knot**

**Robert M. Murphy, Ph.D.
Professor of Management
United States Army War College**

DISCLAIMER

This views expressed in this paper are those of the author and do not reflect the policy or position of the United States War College, the Department of the Army, the Department of Defense, the Department of State, or any agency of the U.S. government.

Note from the Author

This paper is a work in progress. The purpose of this paper is to elicit comments from fellow scholars and practitioners as to the soundness of the concepts put forth in this paper.

The Problem

By now most of us are getting tired of the endless attempts to distinguish between the concepts of managers and leaders. Some people have given up and used the terms interchangeably. A review of the literature reveals that there is a wide array of where people and institutions stand on the issue. As an example, the US Army includes the concept of management as part of their concept of leadership (Army Regulation, 5-1), while others like Schermerhorn (1996) and Bateman and Zeithaml (1995) include it as a major function of management.

Why the wide divergence? Why does the US Army use leadership as the focal point while the business world and academe use texts such as those written by Bateman and Zeithaml and Schermerhorn take a totally opposite perspective. A more important question is "What difference does it make?" as long as the organization accomplishes its goals and objectives. Through the years as a military officer, a small business entrepreneur, a consultant, and now as an academic, I am struck by the continual looseness in the use of these terms. When addressing the issues with colleagues, I often hear, "Why bother, we still need to get the job done."

The answer I believe lies in the fact that there continues to be a myriad of management "How TO" books published every year, an undeniable indicator that there seems to be an unquenchable thirst to find the "golden bullet" that will solve organizational problems. The answer also lies in the apparent intrinsic feeling that the long-term health of the organization depends on both management and leadership even though many have a difficult time in separating them out conceptually.

Renowned experts in the field of management and leadership such as Bennis, Drucker, Kotter, Gardner, and Hickman take their stand and write book after book and article after article trying to clarify the distinction so others may follow a more enlightened way of moving organizations to a more viable future. Thousands of consultants sell their expertise to managers and leaders who are struggling day in and day out just to survive. Who in their right mind would not want the "Holy Grail" that will provide insights as to how to maintain some semblance of controllable order in their organization.

With the changing landscape of today's organizations, there seems to be enough problems in determining whether an organization ought to be flat, modular, organic, stay in its traditional bureaucratic arrangement, or some combination of each. There is little doubt that the Information Age and the demise of the USSR have certainly opened a new era for mankind. Thus, as the world gets more complex and information gathering moves to real time, the pressure to better understand the concepts of leader and manager becomes more difficult.

Sorting Through the Conceptual Jungle

In my dealings with many businesspeople and academics, I hear the same chant -- enough!. They say, and I tend to agree, that there are so many books on the subject that one would think that new concepts on the subject of leadership and management are being evolved daily. I admit that I am a traditionalist and may not appreciate the subtleties that the new gurus are espousing, but when you see the plethora of supposedly new ideas hitting the street, it is understandable why managers and leaders are approaching a mental brownout.

The answer I believe is tied to the use of our language and our fascination with heroes. In the case of language, instead of using a conceptual framework as the basis of understanding various concepts, old words are given new meaning while new words are developed to describe old theories or practices. I fully realize the evolving nature of the field of management and leadership, but at the rate we are going, those two words will lose their meaning due to the looseness of their usage. As an example, the following is a series of definitions taken from various textbooks used in the United States.

Management Definitions.

- A set of activities directed at an organization's resources human, financial, physical, and information) with the aim of achieving organizational goals in an efficient and effective manner. (Griffin, 1999)
- The **coordination** of human, material, technological, and financial resources needed for an organization to achieve its goals. (Hess and Siciliano, 1996)
- The process of **getting things done** through the efforts of others. (Mondy and Premeaux, 1995)
- The process of designing & maintaining an environment in which individuals work together in-groups to accomplish **efficiently** selected aims. (Weihrich and Koontz, 1993)

As stated above, these are actual textbooks used in today's classrooms in the United States and probably around the world. Although my intent is not to discredit any of the authors's of these texts, I do want to point out the discrepancies that exist among the experts in the field. In my opinion, Griffin includes all the elements I would expect to find in the definition of management. In Hess and Siciliano's definition, I think relying on the action of coordination as the full description of what management is all about is misleading. It only reflects one function of the management process.

In Mondy and Premeaux's attempt, the terminology "getting things done" is too loose and does not adequately describe the field of management. Additionally, they exclusively refer managing just people and in today's information society, that may not be an accurate description.

Lastly, Weihrich and Koontz, the use of efficient operations without referring to an effective process is again misleading. Also, I believe the use of the words designing and maintaining adds a degree of difficulty that may not be needed. New students to the field of management, now fix their conceptual framework on these concepts which may or may not be in line with the

traditional functions of planning, organizing, motivating (leading/influencing) and controlling.

When analyzing definitions of leading we find the same dilemma. For example,

Leading Definitions.

- The set of processes used to get members of the organization to work together to advance the interest of the organization. (Griffin, 1999)
- The process of directing human-resource efforts toward organizational directives. (Schermerhorn, 1998)
- The process of directing and supporting others in pursuit of the organization's mission and goals. Hess and Sciliano, 1996)
- The function of managers involving influencing people so that they will contribute to organization and group goals; it has to do predominantly with the interpersonal aspect of management. (Wehrich and Koontz, 1993)

As was the case in the definitions of management, these definitions also seem to conflict with one another. In addition, they seem at times to be defining the management process. One can understand slight variations in the wording of a concept, but the definitions for management and leadership referenced above seems to be beyond the reasonable variation one might expect. With this seeming confusion by experts as to the exactness of a workable definition for each, it is no wonder that practitioners have trouble separating the concepts.

With this conceptual dilemma as a backdrop, it is no wonder that managers and leaders trying to quickly solve problems in today's business environment are searching for a silver bullet that will bring their chaotic world into some semblance of order. If this scenario is so, than one cannot help but wonder how many of an organization's recurring problems are the result of the failure by managers and leaders to use the inappropriate technique to address the core issue. Although this is not the answer to all organizational problems, I believe that many of the problems will find easier answers by properly aligning one's

expectations around the proper conceptual framework, namely either the management or leadership conceptual framework.

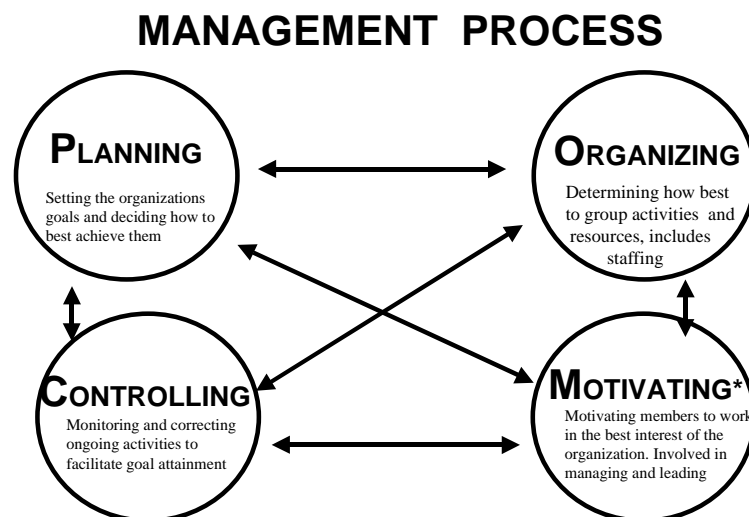
The Conceptual Framework of Management and Leadership

This paper is not designed to be a primer on the theories of management, but in order to draw the distinction between the concepts of management and leadership the basics of each need to be addressed.

Management. As a baseline, it appears that Griffin, 1999, comes close to the traditional concept of management. As stated above, Griffin's definition is

A set of activities directed at an organization's resources (human, financial, physical, and information) with the aim of achieving organizational goals in an efficient and effective manner. (Griffin, 1999)

Following the work of Henri Fayol(1949), who worked to develop principles of good management practices, a generally accepted process has evolved. Although some of the categories may be shaded one way or another, there is general agreement in what is called the management process. At Figure 1 is a schematic that depicts this universal process that has evolved from Fayol's 14 general principles.



* Some texts use Leading, Influencing

Figure 1. Management Process (POMC Model)

The activities outlined by Griffin capture the essence of Fayol's message to us. That is, that all organizations, regardless of mission or culture, are joined to one another by the universal process that is designed to focus the energy of an organization in order to accomplish a common purpose. Murphy (1975) emphasized this point in a class of management students when he formed a panel of a local businessman, a hospital and academic administrator, and a military officer. What Murphy asked them to do was to discuss one of the functions of the management process as it applied to their organization. It soon became obvious to the students that the concept of management was not a business phenomenon, but rather an organizational one.

The salient point is that due to a lack of appreciation of the robustness of the field on management managers and leaders too often start changing factors within their organization with little regard to the effect on the other functions of the management process. It is because of this lack of understanding the robustness of the concept of management, that concepts like leadership are often confused with it. It is not that similar functions do not occur in each, but the root conceptual framework is different for each and thus practitioners need to align their expectations and their techniques accordingly.

Leadership. Initially the point should be made that we are usually addressing leadership in the context of a formal organization. The ability to discuss all types of leadership scenarios is beyond the scope of this paper.

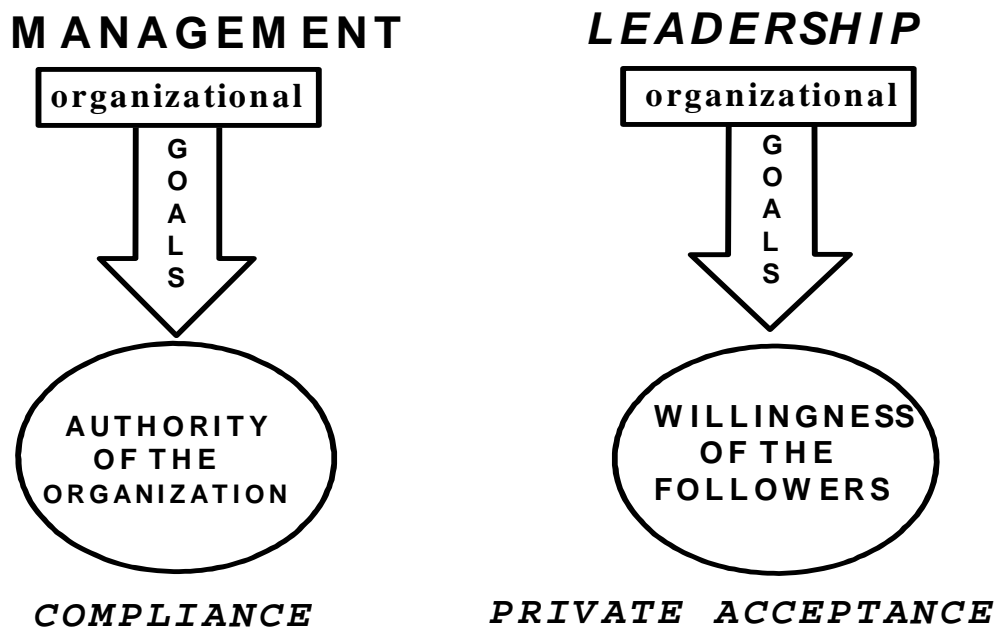
As a start point, it is proposed that a better definition for leadership in an organizational setting is Griffin's definition for management with some minor wording changes. Namely,

A set of activities directed at influencing an individual's action within an organization with the aim of achieving organizational goals in an efficient and effective manner.

In this definition, the operative word is "influencing." The position here is that both the leader and the manager are striving for the accomplishment of organizational goals as set forth in the various plans of the organization but each try to achieve these goals from

different platforms. To draw a definitive conceptual wedge between management and leadership, Figure 2 graphically outlines the differences. The basic premise is that the boundaries between managers and leaders rest with the authority that gives them that status.

In the case of managers and military commanders, their authorities rest with the legal status of their position. Since there is a contractual arrangement between the employees and the organization, employees are willing to comply with organizational regulations and procedures and comply with the directions from a duly authorized person, that is, a manager or in the case of the military a



Source: Copyright BMK Associates. Printed with permission of BMK Associates

Figure 2. Management vs. Leadership Model

Commander, senior officer or noncommissioned officer. Under these conditions, employees have agreed to comply with directed goals. Thus, although employees are achieving organizational goals, they may be only complying externally but may not have internalized the goals as part of their own value system.

When employees internalize organizational goals as a part of their own value system (private acceptance), the individual who influenced them to do so has become their leader. The dynamics of becoming a leader is beyond the scope of this text, but the

key point is that leaders, commanders, and managers all orchestrate the management process. That is, in each case the manager/commander and leader are trying to focus the energies of the people within their organization in order to achieve organizational goals. In the case of the leader, he or she goes a step beyond and gets the members of the group to take on the goals as a part of their own value and operating system while commanders and managers use organizational power to affect compliance to stated goals.

Strategic Management Vs Strategic Leadership

With the distinction between management and leadership in hand, managing and leading at the strategic level of an organization can now be seen as an ominous task. Strategic management is taught in schools of business as a set of managerial decisions and actions that determines the long-run performance of an organization. It includes:

- a vision statement;
- an environmental scan of external factors that will affect the operationalization of the vision;
- a strategic plan and policies based on the results of the external scan in comparison with the strengths and weaknesses of the organization;
- tactical and operational plans to implement the strategic plan; and
- a monitoring system which will provide timely, valid, and reliable information by which to orchestrate the activity within the organization.

As for strategic leadership, we have to go to the U.S. Army War College (USAWC) to address this concept. According to the USAWC, strategic leadership is defined as

Strategic leadership is the process used by a leader to affect the achievement of a desirable and clearly understood vision by influencing the organizational culture, allocating resources, directing through policy and directive, and building consensus within a volatile, uncertain, complex, and ambiguous global environment which is marked by opportunities and threats. (Magee, 1998, ed.)

Review of both definitions reveals that for the most part both definitions are quite similar. In fact if it were not for the distinction made above between management and leadership, one could hardly tell them apart. One may argue that the strategic leadership definition includes influencing and therefore more in line with the distinction made above. Although this is true, it also includes the word directing which is more in line with a management thrust. It is because of this confusion that the distinction made between management and leadership becomes important, especially at the strategic level where specific techniques of achieving organizational goals become critical.

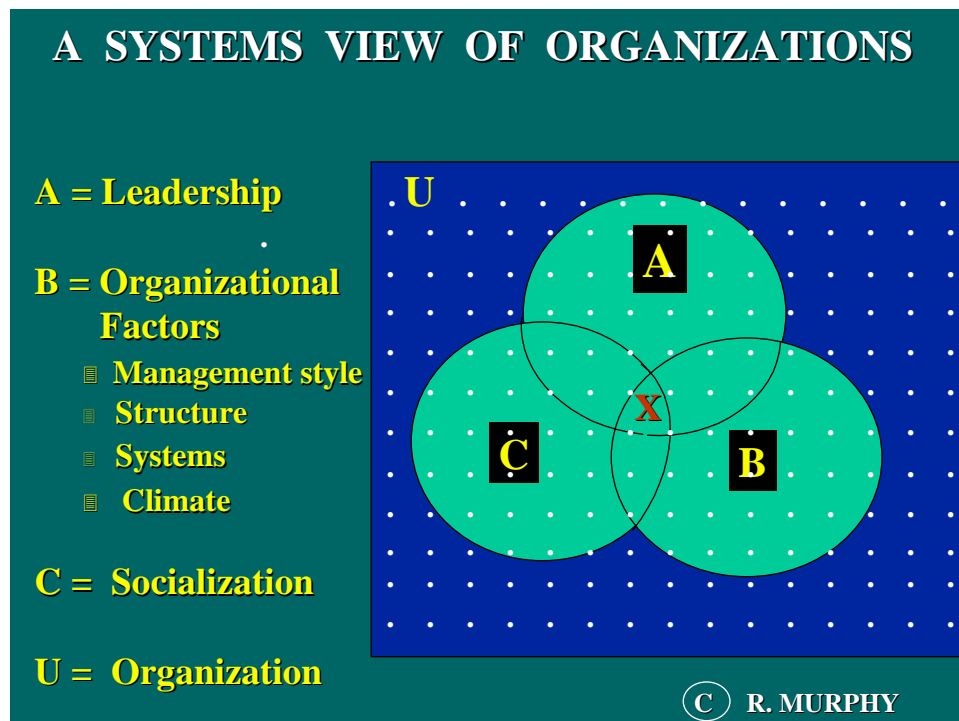
Implications for the Workplace.

While the strategic manager and strategic leader are scanning the external environment for opportunities and threats, and conducting internal audits to identify organizational strengths and weaknesses, each has its own focus in regard to the future motivation of their employees. It is here that the proverbial "Butterfly Effect" may become crucial in the successful accomplishment of the goals of an organization. Regardless of how technologically oriented an organization may evolve, an organization's success is invariably tied to the people within. to organizations. The differences between strategic management and leadership become critical in term's of expectation of both the workers and the management that direct them or the leaders that influence them.

As with the butterfly that effects the activities hundreds of miles from its location, the expectations of the people within an organization systemically effect the activities throughout the organization. A blinding flash of the obvious, maybe so, but the way people guide and act within an organization it becomes apparent that this lesson has not been institutionalized in the decisionmaking process or the expectations we have of our managers and leaders.

One's expectation of the strategic manager should be that they will find a viable direction for the organization and establish systems that will get employees to comply with requisite plans, policies and procedures. On the other hand, one's expectation of the strategic leader is quite different. Here the expectation should be that the strategic leader will not only try to establish similar systems to that of the strategic manager, but also will find ways to influence people to internalize the plans, policies and procedures.

The crux of the dilemma, however, is that identifying strategic managers is easy. Just look at the organizational chart. Identifying the strategic leaders is another matter. This problem was outlined by Bonvillian and Murphy (1996) in his model on a Systems View of Leadership. In Figure 3, the Venn diagram depicts three major factors that influence employee behavior in organizations. The letter U represents the organization environment while the series of dots represent possible actions by an employee. Therefore the dots within Circle A, indicate those actions that are influenced by a leader. Similarly, Circle B depicts the influence as a result of the organizational infrastructure that includes such factors as management style, organizational design, task specification, incentive systems, and organizational climate and culture.



Source: Bonvillian and Murphy (1996)

Figure 3. A Systems View of Organizations

Circle C reflects the individual's own socialization baggage. This includes personal traits from their upbringing, schooling and general life experiences. With this diagram, it is quick to see that a person's actions may be the result of any one of the major factors, or all of them. Thus when goals are accomplished

in an organization, the major cause may be the result of good leadership, good organizational conditions, the effort of good people with good work ethics.

Concluding Comment.

Is the difference between the concept of management and leadership merely an intellectual semantic exercise that is not worth the time and effort to articulate the distinctions between each? The position of this paper is that understanding the conceptual distinction between management and leadership is not just a semantic intellectual exercise, but rather an attempt to fine tune people's understanding of concepts that critically affect the success of all organizations. It is analogous to a surgeon not knowing the difference between the skeletal system of a human body and the circulatory system.

Once people have a better understanding of the realm of management and leadership, it is very likely that many of the problems will find easier answers if the expectations of managers, leaders and employees are in synch. This is not really a revealing fact, but when it is tied to employee expectations of managers and leaders, it can become a "Butterfly Effect" in an organization. That is, where small variations in expectations can cause a series of events that may prove cataclysmic to the organization, or the reverse, a force that propels that organization towards its vision.

References

- Bateman, T. S., and Zeithaml, C.P. (1993). Management: Functions and strategy. New York: Irwin.
- Bennis, W. (1990). Why leaders can't lead. San Francisco, CA.: Jossey-Bass.
- Bennis, W. (1994). On becoming a leader. Reading, MA.: Addison-Wesley.
- Bonvillian, G. and Murphy, R. (1996). Liberal arts colleges adapting to change: The survival of small schools. New York: Garland Publishing.
- Drucker, P.F. (1999). Management challenges for the 21st century. New York: Harpers Collins.
- Fayol, H. (1949). General and industrial management, translated by C. Storrs. London: Pitman.
- Gardner, J.W. (1990). On leadership. New York: The Free Press.
- Griffin, R. W. (1999). Management. (6th ed.). Boston, MA: Houghton Mifflin.
- Hess, and Siciliano J. (1995). Management: Responsibilities for Performance. New York, McGraw-Hill.
- Hickman, C. R. (1992). Mind of a manager: Soul of a leader. New York: John Wiley.
- Kotter, J. P. (1990). Force for change: How leadership differs from management. New York: Free Press.
- Kotter, J. P. (1996). Leading change. Boston, MA: Harvard Business Review Books.
- Magee, R. R. II (1998) (Ed.). Strategic leadership primer. Carlisle Barracks, PA: U.S. Army War College.
- Mondy, R.W. and Premeaux, S.R. (1995). Management. New York: Prentice Hall.

Murphy, R. M. (1975, October-November). Management: A business or organizational phenomenon. Army ROTC Newsletter, 9(5).

Schermerhorn, J.R. Jr. (1996). Management. New York: John Wiley & Sons.

Weihrich and Koontz, H. (1993). Management:A global perspective. New York:McGraw Hill.

